

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

PFF MANAGEMENT LLC,

Plaintiff,

v.

16 CV 9139 (PGG)

OJSC SBERBANK OF RUSSIA, et al.,

Conference

Defendants.

New York, N.Y.
February 27, 2018
10:30 a.m.

Before:

HON. PAUL G. GARDEPHE

District Judge

APPEARANCES

GREENBERG TRAURIG LLP

Attorneys for Plaintiff

BY: CAROLINE J. HELLER

DEBEVOISE & PLIMPTON

Attorneys for Sberbank defendants

BY: WILLIAM H. TAFT V

JOHN S. KIERNAN

BLANKROME

Attorneys for Sberbank defendants and Aleksey Bazarnov

BY: RICK ANTONOFF

EVAN J. ZUCKER

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APPEARANCES

K&L GATES LLP
Attorneys for Sberbank defendants
BY: JOANNA A. DIAKOS

MORGAN LEWIS & BOCKIUS LLP
Attorneys for Defendants Pramsuyazbank and PJSC
BY: JOHN A. VASSALLO, III

WATSON FARLEY & WILLIAMS LLP
Attorneys for Defendant Sergey Kublitskiy
BY: JOHN G. KISSANE

1 (Case called)

2 THE COURT: This case concerned allegations that a
3 Russian businessman and his wife who were majority shareholders
4 in a Russian granite company were wrongfully forced out of
5 their ownership of that enterprise. Their claims have been
6 assigned to the plaintiff in this case PPF Management LLC.

7 There are two matters that I need to address this
8 morning. First IS the defendants' claim that I lack subject
9 matter jurisdiction because the complaint pleads that the
10 plaintiff is a citizen of Delaware. It also pleads that one of
11 the defendants, Sberbank CIV USA, is a Delaware corporation.
12 Secondly, plaintiff's counsel Greenberg Traurig has moved to
13 withdraw. Those are the two matters that I need to address.

14 Let me begin with subject matter jurisdiction. As I
15 indicated, complaint pleads in paragraphs 12 and 42 that the
16 plaintiff is a citizen of Delaware. It pleads in paragraph 35
17 that defendant Sberbank CIV USA, Inc. is a Delaware
18 corporation. It appears to me that there is a defect as to
19 subject matter jurisdiction that is apparent from the face of
20 the complaint.

21 Ms. Heller, anything you want to say on that subject?

22 MS. HELLER: No, your Honor.

23 THE COURT: Then I intend to issue an order dismissing
24 the case for lack of subject matter jurisdiction.

25 With respect to plaintiff's counsel's application to

1 withdraw, for the record, I have received a declaration
2 indicating that Greenberg Traurig has not been paid since June
3 12, 2017, it has lost all ability to communicate with its
4 client. Citing the Timofti declaration paragraphs 3, 5 through
5 6, 10, and 12 through 15. Accordingly, given these
6 circumstances, I am granting the motion to withdraw.

7 I have an application from a receiver to request that
8 Greenberg Traurig be directed to preserve all records of the
9 case. Ms. Heller, do you have any objection to that
10 application?

11 MS. HELLER: I have no objection to preserving the
12 records of the case. I would just note that the request was
13 also for us to cooperate. Obviously, Greenberg Traurig will
14 comply with any court directives, also taking into
15 consideration its obligations to PPF management.

16 THE COURT: I'm not going to direct the firm to
17 cooperate with the receiver. The bankruptcy court can take
18 whatever action it deems appropriate. But I am going to order
19 Greenberg Traurig to preserve all records so that they are
20 available in case the receiver makes an application to the
21 bankruptcy court for them to be provided.

22 I know, Ms. Heller, that you have had tremendous
23 difficulty in communicating with your client, but I'm asking
24 you to take all steps, all possible steps, to notify your
25 client of the orders that I am issuing today, the order

1 dismissing the case for lack of subject matter jurisdiction as
2 well as the order granting your motion to withdraw.

3 MS. HELLER: Yes, your Honor, we will do that.

4 THE COURT: Anything else anyone wants to say?

5 MR. KIERNAN: No, your Honor.

6 (Adjourned)